



CITY OF OLYMPIAN VILLAGE, MISSOURI

YEAR ENDED JUNE 30, 1999

**From The Office Of State Auditor
Claire McCaskill**

Report No. 2000-44
June 8, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

June 2000

Some problems were discovered as a result of an audit conducted by our office in response to the request of petitioners from the City of Olympian Village, Missouri.

Inadequate oversight and monitoring by the Board of Aldermen, inadequate records and procedures, significant employee turnover, accounting errors, and improper uses of restricted monies have all contributed to a serious financial situation for the city.

The city does not have written agreements with companies or individuals providing services and does not have formal written bidding policies and procedures. Supporting documentation was not maintained for numerous disbursements. The board minutes do not specifically reflect approval of monthly expenditures and the board and Mayor generally do not review and approve individual invoices for payment.

Various payments for audit services, sewer work, police supplies, insurance, car repairs, legal services, pole barn construction, and a new sludge bed had no invoice or other documentation to support the payments. Payments reviewed totaling approximately \$71,000, had no invoice maintained by the city. In addition, other invoices were not adequately detailed to support the work performed.

As of December 31, 1999, state withholding taxes totaling \$2,832 for the two quarters ended September 30, 1999 still had not been paid and federal withholding taxes totaling approximately \$43,300 for the period January 1998 through November 1999 were owed to the IRS. Approximately 82% of these monies is due from the General and Police Funds, 16% from the Road Fund, and 2% from the Sewer Fund.

The city did not prepare or retain budgets for fiscal years 2000 and 1999. The city did not submit annual financial reports for the fiscal years ended June 30, 1999 and 1998, to the State Auditor's Office and semi-annual financial statements were not prepared and published or posted.

The city installed a sewer system and sewage treatment plant in 1983, which was funded through federal and state grants and the issuance of sewer system revenue bonds. The final payment on the revenue bonds was made in the Spring of 1998. Our review noted the following concerns:

- The city does not have a current repair and replacement plan for the sewer system and treatment plant and has not estimated related future costs.
- The total cash balance of the various sewer funds has decreased from approximately \$132,000 at July 1, 1996 to approximately \$4,500 at June 30, 1999.
- Of the \$132,000 balance at July 1, 1996, approximately \$122,000 represented monies set aside in repair and replacement accounts. As of June 30, 1999, only \$1,116 remained in the repair and replacement accounts. These monies which were set aside for long-term repair and replacement needs were apparently used to also fund normal sewer system operating costs and sewer bond payments, as well as a road bond payment.

(over)

YELLOW SHEET

- The City Collector prepares sewer billings, collects related receipts, and maintains sewer subsidiary accounts receivable records. These duties should be segregated to allow for a system of checks and balances. If proper segregation of duties cannot be achieved, at a minimum, there should be an independent review of the Collector's records.

The city has not formally established a policy regarding public access to city records. A formal policy regarding access to and copies of city records would establish reasonable guidelines for the city to make the records available to the public. This policy should establish a person to contact and an address to mail requests for access to records.

In 1998, a public hearing was not held prior to establishing the property tax rates and an ordinance was not prepared to document the approved tax rates to be levied. State law requires a public hearing be held on proposed rates of tax prior to the board's approval of the rate.

The city receives federal financial assistance from the U.S. Department of Justice under the COPS Universal Hiring program to hire law enforcement officers. In April 1997, the city received a grant award of \$254,347 to hire five full-time officers. Under the grant provisions, the city is required to provide 25 percent of the cost of employing the officers until the grant expires in April 2001. The city began hiring officers in October 1997.

Documentation to support the calculation of amounts claimed on monthly reimbursement requests was not maintained and the city claimed more costs than allowable. For program expenses from October 1997 through December 1999, the city requested and received \$214,291 in grant reimbursements. However, based on the grant budget, payroll records, and documented fringe benefits, the federal share of allowable salary and fringe benefit expenditures was only approximately \$150,265 for that period.

The city should request reimbursement for only actual, allowable expenses incurred, less the required amount of matching funds, and should ensure adequate documentation is retained to support amounts claimed. The Board of Aldermen should contact the federal grantor agency to resolve these issues.

The city has not established a complete financial accounting system. The City Clerk, the Mayor, and the Collector have access to monies, but are not bonded and the City Clerk also serves as the City Treasurer. The Board of Aldermen has not established a formal policy on vacation leave, sick leave, and compensatory time and time records are not adequately reviewed or maintained. The city does not perform bank reconciliations and the city's accounting records had numerous errors and lacked detailed information.

A formal maintenance plan for city streets has not been prepared. The city spent \$147,000 of its road bond proceeds in September 1997 to pave several city streets. In October 1999, the city also spent \$120,000 of capital improvement sales tax money allocated to it by Jefferson County to pave additional streets. This paving work was performed without a master plan for future street work in the city and a public hearing was not held to obtain input from city residents. In addition, the city had no documented reasons for choosing these streets rather than other streets in the city which are in poor condition.

The city does not maintain fixed asset records or take an annual physical inventory of all city-owned property.

The city failed to deposit \$39,505 in property tax receipts into the Road Bond Debt Service Fund. The city has not developed a policy regarding allowable uses of the parks property tax and has used the money for items other than funding parks.

The Court Clerk's duties are not adequately segregated, court receipts are not deposited to the city's general bank account on a timely basis, and the Court Clerk does not perform bank reconciliations on the Judicial Education Fund and the Bond accounts. Checks and money orders are not restrictively endorsed until the deposit is prepared. Neither the police department nor the court maintains adequate records to account for all traffic tickets and summonses issued by the police department.

CITY OF OLYMPIAN VILLAGE, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
STATE AUDITOR'S REPORT	1-2
HISTORY AND ORGANIZATION	3-5
MANAGEMENT ADVISORY REPORT	6-28
SUMMARY OF FINDINGS	7-8

<u>Number</u>	<u>Description</u>	
1.	Financial Oversight and Monitoring	9
2.	Expenditures.	10
3.	Budgets and Financial Reports	13
4.	Sewer Operations	14
5.	Minutes, Meetings, and Ordinances	16
6.	Community Oriented Policing Services (COPS) Grant	19
7.	Accounting Controls, Records, and Procedures	20
8.	Street Maintenance Plan	22
9.	Property Records	23
10.	Restricted Property Tax Revenue	24
11.	Municipal Court Division	25



CLAIRE C. McCASKILL
Missouri State Auditor

To the Honorable Mayor
and
Board of Aldermen
City of Olympian Village
DeSoto, Missouri 63020

The State Auditor was petitioned under Section 29.230, RSMo, to audit the city of Olympian Village, Missouri. Our audit of the city included, but was not limited to, the year ended June 30, 1999. The objectives of this audit were to:

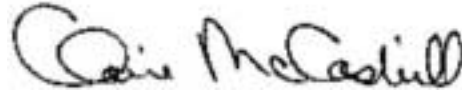
1. Perform procedures we deemed necessary to evaluate the petitioners' concerns.
2. Review compliance with certain constitutional provisions, statutes, ordinances, and attorney general's opinions as we deemed necessary or appropriate in the circumstances.
3. Review certain management practices which we believe could be improved.

Our audit was made in accordance with generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. We also reviewed board minutes, city policies and ordinances, and various city financial records.

Our audit was limited to the specific matters described above and was based on selective tests and procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention which would have been included in this report.

The accompanying History and Organization is presented for informational purposes. This information was obtained from the city and was not subjected to the auditing procedures applied in the audit of the city.

The accompanying Management Advisory Report presents our findings and recommendations arising from our audit of the city of Olympian Village, Missouri.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire McCaskill
State Auditor

February 15, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Karen Laves, CPA
Audit Manager:	Douglas J. Porting, CPA
Audit Staff:	Jerry Lamprecht, Jr., CPA

HISTORY AND ORGANIZATION

CITY OF OLYMPIAN VILLAGE, MISSOURI

HISTORY AND ORGANIZATION

The city of Olympian Village is located in Jefferson County. The city was incorporated in 1965 as a fourth-class city. The population of the city in 1990 was 752.

The city government consists of a mayor and four-member board of aldermen. The four board members are elected in staggered elections for two-year terms. The mayor is elected for a two year term, presides over the board of aldermen, and votes only in the case of a tie. The Mayor, Board of Aldermen, and other principal officials at June 30, 1999, were:

<u>Elected Officials</u>	<u>Term Expires</u>	<u>Actual Compensation for the Year Ended June 30, 1999</u>
Darrel Marler, Mayor (1)	April, 2000	\$ 0
Don Cage, Alderman (2)	April, 2000	0
Doug Routh, Alderman (3)	April, 2000	0
Buford Cook, Alderman	April, 2001	0
Ron Heim, Alderman (4)	April, 2001	0
<u>Other Principal Officials</u>		
Rae Jean Pitts, City Clerk/Treasurer (5)		\$ 3,285
Rebecca Bullock, Collector (6)		0
William Johnson, Municipal Judge		1,100
Evelyn Haithcoat, Court Clerk		3,200
John Lasater, Prosecuting Attorney		600
Robert Burcham, City Attorney		210
Mark Naucke, Police Lieutenant		23,341

- (1) Darrell Marler resigned as mayor in December 1999 and was replaced by Doug Routh. Doug Routh resigned in March 2000 and was replaced by Ron Heim until the April 2000 election, at which time he resumed his aldermanic duties. Raymond Paul was elected Mayor in April 2000.
- (2) Dan Turner was elected in April 2000 to fill the seat formerly held by Don Cage.
- (3) Doug Routh was appointed to replace Darrel Marler as mayor in December 1999 and served until his resignation in March 2000. In April 2000, he was re-elected to his former aldermanic seat.

- (4) Ron Heim was appointed to replace Ken Reese in June 1999.
- (5) Jennifer Smetzer replaced Janice Finochiaro in November 1998. Rae Jean Pitts replaced Jennifer Smetzer in March 1999. Julie Turner replaced Rae Jean Pitts in December 1999.
- (6) Rebecca Bullock resigned as Collector in February 2000 and was replaced by Donna Trent.

The city employed approximately eight full and part-time employees at June 30, 1999. In January 2000, the city disbanded the police department, reducing the number of employees to three.

Assessed valuation and tax rate information for the tax year 1998 is as follows:

ASSESSED VALUATION

Real estate	\$ 1,998,354
Personal property	<u>826,181</u>
Total	\$ <u><u>2,824,535</u></u>

TAX RATES PER \$100 ASSESSED VALUATION

General	\$.25
Roads	.13
Road Bond Debt Service	1.50
Parks and Building	<u>.13</u>
Total	<u><u>2.01</u></u>

MANAGEMENT ADVISORY REPORT

CITY OF OLYMPIAN VILLAGE, MISSOURI
SUMMARY OF FINDINGS

1. Financial Oversight and Monitoring (pages 9-10)

The Board of Aldermen has not provided adequate oversight and monitoring of city operations. Records and procedures are inadequate, employee turnover has been significant, accounting errors and improper uses of restricted monies have occurred and the city is in a serious financial situation.

2. Expenditures (pages 10-12)

The city does not have written agreements with companies or individuals providing services and does not have formal written bidding policies and procedures. Supporting documentation was not maintained for numerous disbursements. The board minutes do not specifically reflect approval of monthly expenditures and the board and Mayor generally do not review and approve individual invoices for payment. Federal and state payroll taxes were not paid on a timely basis and some taxes totaling \$46,132 have not been paid.

3. Budgets and Financial Reports (pages 13-14)

The city did not prepare or retain budgets for fiscal years 2000 and 1999. The city did not submit annual financial reports for the fiscal years ended June 30, 1999 and 1998, to the State Auditor's Office and semi-annual financial statements were not prepared and published or posted.

4. Sewer Operations (pages 14-16)

The city has not updated its sewer system repair and replacement plan, has not estimated related future costs, and has not maintained adequate funding in its repair and replacement accounts. The total cash balance of the sewer funds has decreased significantly in the last three years and restricted sewer monies have been used to pay expenses of other funds. The City Collector's duties are not properly segregated or independently reviewed and the city does not reconcile the sewer accounts monthly.

5. Minutes, Meetings, and Ordinances (pages 16-18)

The board minutes are not signed to indicate approval. The board does not always post notices of meetings and adequate meeting records are not maintained. The city does not have a formal written policy regarding public access to city records. The board did not hold a public hearing on the proposed property tax rate for 1998, and did not prepare or approve an ordinance establishing the approved tax levies as required by state law. Salaries of city officials and employees were not set by ordinance. Various city records were missing.

6. Community Oriented Policing Services (COPS) Grant (pages 19-20)

Documentation to support the calculation of amounts claimed on monthly reimbursement requests was not maintained and during the period of October 1997 through December 1999, the city over claimed approximately \$64,026 from the COPS grant. The city incorrectly reported disbursements from the COPS program on the quarterly financial status reports filed with the federal government.

7. Accounting Controls, Records, and Procedures (pages 20-22)

The city has not established a complete financial accounting system. The City Clerk, the Mayor, and the Collector have access to monies, but are not bonded and the City Clerk also serves as the City Treasurer. The Board of Aldermen has not established a formal policy on vacation leave, sick leave, and compensatory time and time records are not adequately reviewed or maintained. The city does not perform bank reconciliations and the city's accounting records have numerous errors and lack detailed information.

8. Street Maintenance Plan (pages 22-23)

The city does not have a formal maintenance plan for city streets.

9. Property Records (pages 23-24)

The city does not maintain fixed asset records or take an annual physical inventory of all city-owned property.

10. Restricted Property Tax Revenue (pages 24-25)

The city failed to deposit \$39,505 in property tax receipts into the Road Bond Debt Service Fund. The city has not developed a policy regarding allowable uses of the parks property tax and has used the money for items other than funding parks.

11. Municipal Court Division (pages 25-28)

The Court Clerk's duties are not adequately segregated, court receipts are not deposited to the city's general bank account on a timely basis, and the Court Clerk does not perform bank reconciliations on the Judicial Education Fund and the Bond accounts. Checks and money orders are not restrictively endorsed until the deposit is prepared. The Court Clerk's petty cash fund is not maintained on an imprest basis. Bond receipts are not deposited to the court's bank account on a timely basis, bond receipt slips are hand numbered when issued and monthly listings of open items (liabilities) are not regularly prepared and reconciled. Neither the police department nor the court maintains adequate records to account for all traffic tickets and summonses issued by the police department.

CITY OF OLYMPIAN VILLAGE, MISSOURI
MANAGEMENT ADVISORY REPORT

1.	Financial Oversight and Monitoring
-----------	---

Inadequate oversight and monitoring by the Board of Aldermen, inadequate records and procedures, significant employee turnover, accounting errors, and improper uses of restricted monies have all contributed to a serious financial situation for the city.

Due to inadequate cash balances in some funds throughout the last two years, the city has at times paid bills from whichever funds had money available. As noted elsewhere in this report, the city has used restricted park tax monies and restricted sewer monies for payment of expenditures of the General, Police, Road, and Road Bond Debt Service Funds. A significant amount of money is due to the state and federal governments for unpaid payroll taxes and excess reimbursements claimed on the city's COPS grant; and monies are owed to the Road Bond Debt Service Fund from the General Fund, Parks and Building Fund, and Road Fund due to an error in depositing property tax receipts in fiscal year 1998. Correcting these issues will further strain the various operating funds of the city.

Inadequate records and procedures, some of which were similarly noted in our prior report dated March 18, 1991, have inhibited the board's ability to effectively monitor and manage the city and have resulted in or contributed to the problems noted above. These weaknesses included the absence of budgets and other financial reports, the lack of bank reconciliations, numerous errors and inadequate detail in accounting records, the lack of supporting documentation for numerous disbursements, and inadequate segregation of accounting duties or review of work performed.

The Board of Aldermen should review disbursements, reducing discretionary spending as much as possible, and ensure adequate revenues exist to fund the necessary core city services. These plans should be formalized in a detailed annual budget. In addition, the board should ensure adequate accounting records and an effective system of accounting and administrative controls are in place, including an effective financial reporting system and procedures to frequently monitor budgeted and actual activity. The specific recommendations contained in the following MARs, if implemented, will help establish these records, controls, and procedures. The weaknesses noted throughout our report must be corrected to achieve the required level of accountability, to more effectively use the city's resources, and to reestablish the public's confidence in its city government.

WE RECOMMEND the Board of Alderman review the current financial condition of the city's funds and consider the various alternatives of reducing disbursements and/or increasing receipts. In addition, the board should ensure adequate budgets and financial records are prepared and maintained in the future, and adequate controls and procedures are in place to properly oversee city operations.

AUDITEE'S RESPONSE

We agree. We have already begun reviewing the financial condition and will continue to do so.

2. Expenditures

- A. The city does not have formal written agreements with several companies or individuals providing services. The following disbursements were made without written contracts:

Sewer operator	\$22,537
Sewer repair service	11,673
Dispatch service	1,990
Municipal judge	1,100
City attorney	210
City prosecutor	1,550
Accounting services	7,938
Legal services	9,868

The Mayor stated that the city had signed an agreement with the sewer operator for the fiscal year ended June 30, 1999 but the documentation could not be located. The city pays the sewer operator a monthly fee to operate the sewer plant and a separate grinder pump overhaul fee for each grinder pump he overhauls. The city has initiated a contract with the sewer operator for fiscal year 2000.

Section 432.070, RSMo 1994, requires political subdivisions' contracts be in writing. Formal written agreements are necessary to document each party's duties and responsibilities.

- B. The city does not have a formal bidding policy. As a result, the decision of whether to solicit bids for a particular purchase is made on an item-by-item basis. Although it appears the city did solicit bids for some purchases, bids were either not solicited or bid documentation was not retained for the following expenditures:

Grinder pump station/supplies	\$ 10,706
Diesel parts and service	8,376
Road shed construction	14,954
Fence for road shed	5,915
Sewer plant mixer - rebuild	3,600
Paving streets	266,700
Backhoe	17,400

Formal bidding procedures for major purchases provide a framework for economical management of city resources and help ensure the city receives fair value by contracting with the lowest and best bidders. Competitive bidding also helps ensure all parties are given equal opportunity to participate in the city's business. Bids can be handled by telephone quotation, by written quotation, by sealed bid, or by advertised sealed bid. Various approaches are appropriate, based on dollar amount and type of purchase. Whichever approach is used, complete documentation should be maintained of all bids received and reasons noted why the winning bid was selected.

- C. Supporting documentation was not maintained for numerous disbursements made by the city. Various payments for audit services, sewer work, police supplies, insurance, car repairs, legal services, pole barn construction, and a new sludge bed had no invoice or other documentation to support the payments. Payments reviewed totaling approximately \$71,000, had no invoice maintained by the city. In addition, other invoices were not adequately detailed to support the work performed.

All disbursements should be supported by paid receipts and/or complete vendor-provided invoices to ensure the obligation was actually incurred and the disbursement represents an appropriate use of public funds. The city should require detailed invoices for all services which include the number of hours worked by day, the work performed, and the hourly rate charged.

- D. Although there is an occasional reference to a specific expenditure being approved for payment, the board minutes usually only make a general reference that expenditures are approved for payment. The board and the Mayor generally do not review and approve individual invoices for payment and a supplementary listing of all disbursements is not prepared to accompany the minutes. In addition, there is no independent reconciliation of the invoices and actual checks written.

To adequately document the board's review and approval of all disbursements, a complete and detailed listing of bills should be prepared, signed or initialed by the board to denote their approval, and retained with the official minutes. In addition, supporting documentation should be reviewed by the board or someone independent of the disbursement process before payment is made to ensure all disbursements represent valid operating costs of the city.

- E. The city failed to remit required payroll taxes timely and failed to pay some months entirely. The city uses a local Certified Public Accountant (CPA) to calculate payroll and the related payroll taxes. The CPA notifies the city of the amounts of payroll taxes from each fund to remit to the Internal Revenue Service (IRS) and Missouri Department of Revenue (DOR). The CPA also prepares and submits the quarterly withholding reports to the IRS and DOR.

The city's normal policy is to deposit federal payroll taxes with a local bank monthly for transmission to the IRS and to remit state payroll taxes directly to the DOR quarterly. For the period January 1998 through November 1999, numerous payments of taxes were paid late or not paid at all. Payments of quarterly taxes to the DOR were made ten weeks to six months after the quarter to which the payments related, or not at all. In addition, payments of federal taxes were sporadic and were made for only eleven of the twenty-three months in that period.

As of December 31, 1999, state withholding taxes totaling \$2,832 for the two quarters ended September 30, 1999 still had not been paid and federal withholding taxes totaling approximately \$43,300 for the period January 1998 through November 1999 were owed to the IRS. Approximately 82% of these monies is due from the General and Police Funds, 16% from the Road Fund, and 2% from the Sewer Fund.

Good business practices, and federal and state regulations, require the city to make timely deposits of tax withholdings to avoid unnecessary penalties and interest.

Conditions A, B, and C were also noted in our prior report.

WE RECOMMEND the Board of Aldermen:

- A. Enter into written agreements for all services.
- B. Establish a formal bidding policy regarding the procurement of goods and services. Such a policy should require that competitive bids be solicited through advertising for any purchases over an established amount and that quotation bids be solicited for purchases over a lesser amount. In addition, complete documentation of the bidding process should be maintained, including bid specifications and bid forms, all bids received, and documentation of the justification for selecting and rejecting bids.
- C. Ensure all disbursements are supported by paid receipts and/or vendor-provided invoices which contain an adequate description of the goods or services received.
- D. Approve all invoices prior to payment and ensure the approval of all disbursements is adequately documented by including a listing of all approved disbursements in the board minutes.
- E. Ensure the required payroll tax deposits are made in a timely manner.

AUDITEE'S RESPONSE

- A. *We agree and will try to implement this recommendation for currently contracted services within two months.*

B. We agree and have already begun working on a bid policy. We will ensure that bid documentation is retained.

C&D. We agree and will implement immediately.

E. We agree and have already begun paying back taxes to the IRS and DOR.

3. Budgets and Financial Reports

- A. The city did not prepare a budget for the fiscal year ended June 30, 1999. In addition, while board minutes indicate a budget was adopted for the fiscal year ended June 30, 2000, the city could not locate a copy of the budget. Section 67.010, RSMo 1994, requires the preparation of an annual budget which shall present a complete financial plan for the ensuing budget year. Section 67.080, RSMo 1994, provides that no expenditure of public monies shall be made unless it is authorized in the budget. The failure to prepare budgets has been a significant contributing factor to many of the city's problems.

Sections 67.010 to 67.080, RSMo 1994, set specific guidelines for the format, approval, and amendments of the annual operating budget. A complete and well-planned budget, in addition to meeting statutory requirements, can serve as a useful management tool by establishing specific cost and revenue expectations for each area of city operations and provide a means to effectively monitor actual costs and revenues. It will also assist in setting tax levies and informing the public about the city's operations and current finances. A complete budget should include separate receipt and disbursement estimations by fund, and include the beginning available resources and reasonable estimates of the ending available resources. The budget should also include a budget message and comparisons of actual receipts and disbursements for the two preceding years.

This condition was also noted in our prior report.

- B. The city did not submit annual financial reports for the fiscal years ended June 30, 1999, and 1998, to the State Auditor's office pursuant to Section 105.145, RSMo 1994. The city should take care to ensure the annual reports required by state law are submitted to the State Auditor's office.
- C. The city has not published semi-annual financial statements as required by state law. The city published financial statements for the three months ended September 30, 1998 on April 1, 1999. The city has not published any other financial statements for the 1999 and 1998 fiscal years.

Section 79.160, RSMo 1994, requires the Board of Aldermen to prepare and publish semi-annually, a full and detailed account of the receipts, expenditures, and indebtedness of the city. Complete and accurate financial statements are necessary to keep the citizens informed of the financial activity and condition of the city. In addition, Section 79.165, RSMo 1994, states the City Treasurer cannot legally disburse funds until the financial statement is published.

WE RECOMMEND the Board of Aldermen:

- A. Prepare and adopt annual budgets as required by state law.
- B. Ensure that annual financial reports are filed with the State Auditor's office.
- C. Ensure semi-annual financial statements are published or posted in accordance with state law.

AUDITEE'S RESPONSE

- A. *We agree and will prepare a budget for the next fiscal year starting July 1, 2000.*
- B. *We agree and will comply for the next fiscal year.*
- C. *We agree and have now published financial statements for the six months ended December 31, 1999.*

4. Sewer Operations

The city installed a sewer system and sewage treatment plant in 1983, which was funded through federal and state grants and the issuance of sewer system revenue bonds. The final payment on the revenue bonds was made in the Spring of 1998. Our review noted the following concerns:

- A. The city does not have a current repair and replacement plan for the sewer system and treatment plant and has not estimated related future costs.

As required by the initial grants and revenue bond covenants, in 1983 the city adopted ordinance No. 123. That ordinance required the establishment of several specific restricted accounts for the operation, maintenance, repair and replacement of the system and for the payment of bond principal and interest. The ordinance also established the methodology for annually establishing the monthly user fees and the required contributions to the above accounts based on a 20 year repair and replacement schedule, which was also part of the ordinance and which was to be updated as needed. Sewer user fees have remained unchanged for many years.

During the past two years the city has spent a significant amount of money set aside for replacement and repair, to replace a sludge bed and repair a sewer plant mixer and numerous grinder pumps. The city does not know whether significant additional repairs will be needed in the next few years. As of June 30, 1999 the city had used most of its repair and replacement monies and had virtually no funds set aside for such future costs. In addition, with the city's current financial condition, it is unclear when the city will be able to repay the Sewer Fund for general and road expenses paid from these restricted monies (see Part B. below).

The city needs to update its repair and replacement plan and ensure adequate funding is set aside to carry out the plan, including possibly raising fees or planning for an additional bond issue. An updated repair and replacement plan, with anticipated timetables and estimated costs, would serve as a useful management tool and provide greater input into the overall budgeting process. Such a plan provides a means to continually and more effectively monitor and evaluate adequacy of funding and the progress made in the repair and replacement of sewer system components throughout the year.

- B. The total cash balance of the various sewer funds has decreased from approximately \$132,000 at July 1, 1996 to approximately \$4,500 at June 30, 1999.

During fiscal years 1997 and 1998, sewer expenses (including bond principal and interest payments) exceeded receipts by approximately \$22,000 and \$55,000, respectively, and sewer expenses for both 1999 and 1998 were significantly higher than in 1997. In addition, during fiscal year 1999, approximately \$49,000 of restricted sewer monies, including proceeds of a \$29,000 certificate of deposit, were transferred to the General Fund and Road Fund to pay operating expenses and debt service on a general obligation road bond. Also, some expenses of other funds were paid directly out of the restricted sewer accounts.

Of the \$132,000 balance at July 1, 1996, approximately \$122,000 represented monies set aside in repair and replacement accounts. As of June 30, 1999, only \$1,116 remained in the repair and replacement accounts. These monies which were set aside for long-term repair and replacement needs, as noted in part A, were apparently used to also fund normal sewer system operating costs and sewer bond payments, as well as the road bond payment noted above.

The Board of Aldermen should ensure that restricted sewer monies are spent only on their intended purpose. The board needs to repay the sewer funds for any monies used to pay the expenses of other funds or which were inappropriately transferred to other funds. The board needs to set sewer rates at a level to ensure monthly receipts are sufficient to pay required current operating costs, as well as any amounts needed for future repairs as identified in the repair and replacement plan discussed in part A above.

- C.1. The City Collector prepares sewer billings, collects related receipts, and maintains sewer subsidiary accounts receivable records. These duties should be segregated to allow for a system of checks and balances. If proper segregation of duties cannot be achieved, at a minimum, there should be an independent review of the Collector's records.
- 2. The city does not reconcile beginning accounts receivable plus monthly billings, less total utility payments and adjustments, to the ending accounts receivable. The individual customer account balances could then be totaled and agreed to the ending accounts receivable balance. This would help to ensure all amounts have been properly recorded to individual customer account records and that delinquent balances are accurate.

Conditions similar to C.1. and 2. were noted in our prior report.

WE RECOMMEND the Board of Aldermen:

- A. Prepare a repair and replacement plan for the city sewer system and periodically update the plan. The board should review the progress made in the repair and replacement of sewer system components to make appropriate decisions on future projects and to ensure adequate funding exists to carry out the plan.
- B. Repay the sewer funds for any sewer monies spent for unrelated purposes. The board should review and set rates to provide an adequate level of funding to operate, maintain, and repair the system.
- C.1. Segregate the duties of the City Collector and/or establish a periodic review of the Collector's accounting records by an independent person.
- 2. Require the City Collector to maintain records documenting beginning accounts receivable, plus billings, less payments and adjustments, and ending accounts receivable and periodically reconcile the individual customer accounts receivable balances to the ending accounts receivable balance.

AUDITEE'S RESPONSE

- A. *We agree; however, this will be a major project that cannot be performed immediately.*
- B. *We agree and will develop a plan to implement this recommendation in the future.*
- C. *We agree and will look into adopting a plan to address these issues at our next meeting.*

- A. The board minutes are prepared by the City Clerk; however, they are not signed by the Mayor, the Clerk, or any of the board members.

The board minutes should be signed by the Clerk, and the Mayor, or a designated member of the board, to provide an independent attestation that the minutes are a complete and correct record of the matters discussed and actions taken during the board meetings.

- B. The city holds its regular meetings on the third Monday of each month. However, notices of the date and time of the board meetings and agendas were not published or publicly posted as required by law.

Section 610.020, RSMo 1994, requires all public governmental bodies to give advance notice of their meetings. This notice is to include the time, date, and place of the meeting, as well as the tentative agenda. The notice is required to be posted at the principal office of the city or the building in which the meeting is to be held.

- C. The board meeting minutes did not always include sufficient detail of matters discussed, actions taken, and votes recorded. For example, in September, 1998, an individual was suspended with pay from the police force, but the minutes did not include any documentation of this action. In addition, minutes could not be located for January 1999.

Section 610.020, RSMo, requires minutes of meetings be taken and retained by all governmental bodies and to include the date, time, place, members present, members absent, and a record of votes taken. Complete and accurate minutes of the board's meetings are necessary to retain a record of the business conducted and to provide an official record of board actions and decisions. If a scheduled meeting is not held, minutes of the next regular meeting should so indicate.

- D. The city has not formally established a policy regarding public access to city records. A formal policy regarding access to and copies of city records would establish reasonable guidelines for the city to make the records available to the public. This policy should establish a person to contact and an address to mail requests for access to records. Section 610.023, RSMo 1994, lists requirements of making city records available to the public.

- E. In 1998, a public hearing was not held prior to establishing the property tax rates and an ordinance was not prepared to document the approved tax rates to be levied. Section 67.110, RSMo 1994, requires a public hearing be held on proposed rates of tax prior to the board's approval of the rate. Also, Section 94.210, RSMo 1994, states the Board of Aldermen shall fix the annual rate of tax levy by ordinance for each tax year.

- F. Salaries of city officials and employees are set during open board meetings, but are not set by ordinance.

Section 79.270, RSMo, requires the Board of Aldermen to fix the salaries of all city officials and employees by ordinance.

This concern was noted in our prior report.

- G. Various city records were missing, including ordinances, invoices, bank statements, canceled checks, bids, and bond covenants.

Retention of city records is essential to establishing accountability for city financial activity and in demonstrating compliance with state law. Effective control of records requires all documents and records be safeguarded against loss due to fire or theft, be accessible to the appropriate city officials/employees, and upon reasonable request, be accessible to the public.

WE RECOMMEND the Board of Aldermen:

- A. Ensure all board minutes are properly signed to attest to their accuracy.
- B. Ensure notices of the board meetings are posted in accordance with state law.
- C. Ensure complete and accurate minutes of the board's meetings are maintained, all significant discussions, actions taken, and information required by state law are included, and canceled meetings are noted.
- D. Establish formal written policies and procedures regarding public access to and/or copies of city records.
- E. Hold a public hearing on proposed property tax rates as required by state law and establish the annual tax rates by ordinance.
- F. Fix the salaries of all city officials and employees by ordinance.
- G. Ensure all records of the city are properly retained and available for review.

AUDITEE'S RESPONSE

- A. *We agree and have already implemented this recommendation.*
- B. *We agree and have already begun posting notices of the meetings. We will implement posting the agendas for the future.*

C&G. We agree and will implement immediately.

D. We agree and will devise a plan to address this as soon as possible.

E. We agree and will implement the recommendation when setting the next tax rates.

F. We agree and will devise a plan to address this recommendation in the future.

6. Community Oriented Policing Services (COPS) Grant

The city receives federal financial assistance from the U.S. Department of Justice under the COPS Universal Hiring program to hire law enforcement officers. In April 1997, the city received a grant award of \$254,347 to hire five full-time officers. Under the grant provisions, the city is required to provide 25 percent of the cost of employing the officers until the grant expires in April 2001. The city began hiring officers in October 1997.

- A. Documentation to support the calculation of amounts claimed on monthly reimbursement requests was not maintained and the city claimed more costs than allowable. For program expenses from October 1997 through December 1999, the city requested and received \$214,291 in grant reimbursements. However, based on the grant budget, payroll records, and documented fringe benefits, the federal share of allowable salary and fringe benefit expenditures was only approximately \$150,265 for that period. This amount does not include some approved fringe benefit categories for which the city could not document expenditures. Therefore, it appears the city owes approximately \$64,026 to the Department of Justice for excess reimbursements received through December 1999.

Without documentation to identify the amounts claimed on the monthly reimbursement requests, it is not clear how the expenditures claimed were calculated. Part of the excess appears to be a result of police officers being paid salaries greater than those approved in the grant agreement. Any salary or fringe benefits in excess of that approved in the grant agreement must be paid entirely by the city. In addition, as noted at MAR No. 7, the city did not always maintain timesheets or other records to support salary amounts paid.

The city should request reimbursement for only actual, allowable expenses incurred, less the required amount of matching funds, and should ensure adequate documentation is retained to support amounts claimed. The Board of Aldermen should contact the federal grantor agency to resolve these issues.

- B. The grant requires the city to submit quarterly reports identifying the monies spent and how much was paid with local funds. The city incorrectly reported expenditures on these reports and the reports did not always agree to expenditures shown on the monthly reimbursement requests. According to the Mayor, he prepared the quarterly reports by calculating and reporting qualified police salaries and benefits; however, he indicated he did not retain documentation of his calculations. The city should prepare accurate quarterly reports of qualified expenses as required by the grant agreement and retain applicable supporting documentation.

WE RECOMMEND the Board of Aldermen:

- A. Ensure reimbursement is requested for only allowable actual expenditures per the COPS budget. The city should recalculate and correct prior reimbursement claims and repay any excess reimbursements received.
- B. Prepare accurate quarterly financial reports for the COPS grant and retain documentation to support the reported expenditures.

AUDITEE'S RESPONSE

- A. *We agree. We have suspended this grant indefinitely. We have contacted the federal program administrator regarding these grant monies.*
- B. *We agree with this recommendation and will retain appropriate documentation for any future grants.*

7. Accounting Controls, Records, and Procedures
--

- A. The city has not established a complete financial accounting system. An income report is prepared by the City Collector for the various monies received and the City Clerk records deposits, checks issued and cash balances in various check registers. But receipts and disbursements are not classified and monthly summary reports are not prepared of receipt and disbursement categories.

Summaries showing revenue sources and expenditure types should be prepared for each fund on a monthly basis and should be used for comparison to budgeted amounts and overall review of city operations.

Complete, organized, and timely accounting records are necessary to provide accurate and timely financial information to city officials upon which effective management decisions may be made.

- B. The city has one person that serves as the City Clerk and the City Treasurer. The duties of this official include maintaining disbursement records, preparing and signing checks, and receiving bank statements.

Neither the board nor other personnel independent of the cash custody and the record-keeping functions provide adequate supervision or review of the work performed by the City Clerk.

Attorney General's Opinion No. 24, 1955 to Dodds, concluded that in a fourth-class city the holding of the positions of City Clerk, City Treasurer, and City Collector, or any two of these three offices, by the same person at the same time would be incompatible.

Holding two of these offices does not allow the separation of duties necessary for a proper evaluation and review of financial transactions. The current procedures jeopardize the system of independent checks and balances intended by state law.

This condition was also noted in our prior report.

- C. The City Clerk, the Mayor, and a designated alderman are authorized to sign checks. Although dual signatures are required on each check, they are not bonded. The City Collector receive city funds; however she is also not bonded. Failure to properly bond individuals who have access to funds exposes the city to risk of loss.

- D.1. The city has not established a formal policy for vacation, sick leave, and compensatory time. The Mayor had been unofficially tracking leave balances at the rate of two hours earned per week for vacation leave and one hour per week for sick leave, less any leave taken. However, the Mayor's records for leave taken were not supported by timesheets prepared by employees.

A written leave policy for all employees is necessary to properly compensate for leave earned and taken, to ensure equitable treatment among employees, and to prevent potential misunderstandings.

2. Time records are not adequately reviewed or maintained. Time records were informally kept by city employees, but were not submitted to the Mayor or the board for review and approval. In addition, when asked, the city could not locate the October 1998 time records. To ensure the propriety of salary expenditures and leave taken and earned, adequate time records, signed by employees and reviewed and approved by supervisors, should be maintained.

- E. The city does not perform periodic bank account reconciliations. The city relied upon its accounting firm to perform bank account reconciliations on a three month cycle; however the accounting firm had not performed such reconciliations since December 31, 1998.

We performed bank reconciliations as of June 30, 1999 and noted numerous errors and omissions made in recording transactions to the city's check registers. The city incorrectly recorded several deposits to the wrong account and did not record some deposits at all.

In addition, the city failed to record in the check registers many bank charges as well as many checks issued. The entries for some checks did not reflect adequately detailed information such as the payee, check number, check date, and/or purpose. Because of bookkeeping errors, the city overdrew its account and incurred bank charges totaling \$509.

The city should take more care to ensure transactions are recorded completely and accurately. Monthly bank account reconciliations should be prepared to ensure that all accounting records balance, transactions have been properly recorded, and any errors or discrepancies are detected on a timely basis. Complete documentation of the reconciliation should be retained to support conclusions and any corrections made to facilitate independent reviews.

WE RECOMMEND the Board of Aldermen:

- A. Ensure that a complete financial accounting system is established including summaries documenting monthly revenue sources and expenditure types. This information should be used to compare to budget estimates and monitor city operations.
- B. Provide for an adequate segregation of duties. If this is not possible, at a minimum, procedures for adequate independent review of accounting records should be established.
- C. Consider obtaining bond coverage for all individuals handling city monies.
- D.1. Establish a written policy and centralized records regarding vacation, sick leave, and compensatory time.
 - 2. Require all employees to complete a time sheet. Time sheets should be submitted to a supervisor for approval, and maintained on file.
- E. Ensure monthly bank reconciliations are performed and any differences resolved.

AUDITEE'S RESPONSE

A. *We agree and will devise a plan to implement this in the future.*

B. *We agree and will establish oversight as soon as possible.*

C&E. *We agree and have already implemented these recommendations.*

- D.1. *We agree and will devise a plan to address these issues.*
2. *We agree and will implement a formal time activity sheet immediately.*

8. Street Maintenance Plan

A formal maintenance plan for city streets has not been prepared. The city spent \$147,000 of its road bond proceeds in September 1997 to pave several city streets. In October 1999, the city also spent \$120,000 of capital improvement sales tax money allocated to it by Jefferson County to pave additional streets. This paving work was performed without a master plan for future street work in the city and a public hearing was not held to obtain input from city residents. In addition, the city had no documented reasons for choosing these streets rather than other streets in the city which are in poor condition.

A maintenance plan should be prepared in conjunction with the annual budget and include a description of the streets to be worked on, the type of work to be performed, an estimate of the quantity and cost of materials needed, the dates such work could begin, the amount of labor required to perform the work, and other relevant information. The plan should be referred to in the budget message and be approved by the board. In addition, a public hearing should be held to obtain input for the plan from city residents.

A formal maintenance plan would serve as a useful management tool and provide greater input into the overall budgeting process. Such a plan provides a means to more effectively monitor and evaluate the progress made in the repair and maintenance of streets throughout the year.

WE RECOMMEND the Board of Aldermen prepare a formal maintenance plan for city streets at the beginning of the fiscal year and periodically update the plan throughout the fiscal year. In addition, the board should review the progress made in the repair and maintenance of streets to make appropriate decisions on future projects.

AUDITEE'S RESPONSE

We agree and will research a master road plan for consideration with the next budget for the fiscal year beginning on July 1, 2000.

9. Property Records

The city has not prepared and maintained permanent, detailed property records for general fixed assets, including the cost of land, buildings, equipment, and furniture owned by the city. In addition,

the city has not prepared and maintained permanent, detailed property records for the sewer system. Also, annual physical inventories are not performed.

Property records for general fixed assets are necessary to ensure accountability for all items purchased and owned and for determining the proper amount of insurance coverage.

To develop appropriate records and procedures for general fixed assets and the fixed assets of the sewer system, the city needs to undertake a comprehensive review of all property owned by the city. Assets should be counted, tagged for specific identification, and recorded by description and serial number in a detailed property ledger at historical cost or estimated historical cost if the original cost is not available. The city should properly record all fixed asset transactions, and ensure the accuracy of the recorded fixed assets. Periodically, the city should take physical counts of its assets and compare them to the detailed records.

This concern was noted in our prior report.

WE RECOMMEND the Board of Aldermen establish property records for general fixed assets and the fixed assets of the sewer system that include all pertinent information for each asset, such as tag number, description, cost, acquisition date, location, and subsequent disposition. In addition, annual physical inventories should be performed.

AUDITEE'S RESPONSE

We agree and have already asked our city employees to establish such records.

10. Restricted Property Tax Revenue
--

- A. In 1997, the board began levying a tax for the Road Bond Debt Service Fund. The city also levies taxes for the General Fund, Parks and Building Fund, and Road Fund. Until July 1998, the city did not allocate any of the property tax receipts to the Road Bond Debt Service Fund.

Property tax receipts totaling \$39,505 were collected for the Road Bond Debt Service Fund, but deposited as follows:

Fund	Amount
General Fund	\$ 19,355
Parks and Building Fund	10,075
Road Fund	10,075
Total	<u>\$ 39,505</u>

Road Bond Debt Service Fund tax receipts are restricted for use in servicing the debt of bonds the city has issued. Because \$30,405 of the debt service payments were made from the Road Fund, the General Fund and Parks and Building Fund need to repay the Road Fund and Road Bond Debt Service Fund. Property tax receipts were deposited in the proper funds beginning in July 1998.

- B. The city received \$3,555 and \$3,424 in park property tax receipts during the fiscal years ended June 30, 1999 and 1998, respectively. While it appears this special purpose tax has been levied by the city for a number of years, the city does not have a copy of an original ballot, an ordinance, or a formal policy defining the allowable uses of these monies.

The monies generated by this tax have been used by the city for expenditures unrelated to parks. In addition, the city does not appear to have any developed park property. According to the city's financial statements, in fiscal year 1998 the city spent \$6,008 in park tax revenues for police wages, payroll taxes, legal and accounting services, insurance, and city hall operating expenses and transferred an additional \$8,062 to the General Fund. There were no expenditures during fiscal year 1999. Sections 90.010 and 90.500, RSMo 1994 both allow the city to establish a property tax for the establishment and maintenance of public parks. While it is unclear under which authorizing section of state law this property tax was established, the property taxes are restricted to be used to establish and maintain public parks.

The city should develop a policy regarding the type of allowable expenses to be paid from this fund and ensure the policy is in compliance with state law. In addition, the \$14,070 spent for or transferred to, the General Fund should be returned to the Park Fund and used for the purpose levied.

WE RECOMMEND the Board of Aldermen:

- A. Transfer \$19,355 to the Road Fund from the General Fund and transfer \$9,100 to the Road Bond Debt Service Fund and \$975 to the Road Fund from the Parks and Building Fund.

- B. Develop a policy to ensure any restricted revenues are used only for the purposes intended and in compliance with state law. The city should transfer \$14,070 to the Park Fund from the General Fund.

AUDITEE'S RESPONSE

- A. *We agree and will devise a plan to repay these amounts; however, we cannot commit to a timetable for repayment.*
- B. *We agree and will adopt a policy as soon as possible to ensure the money is paid back.*

11. Municipal Court Division

- A. The duties of receiving, recording, and depositing monies collected by the municipal division are not adequately segregated. Currently, the Court Clerk performs all these duties. To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurance that all transactions are accounted for properly and assets are adequately safeguarded. Internal controls could be improved by segregating the duties of receiving monies from that of recording receipts and depositing court monies. If proper segregation of duties cannot be achieved, at a minimum, there should be an independent review of the Court Clerk's accounting records.
- B. Fine and court cost receipts are not deposited into the city's bank account on a timely basis. Deposits are made approximately once a month and average in excess of \$4,000. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, deposits should be made daily or when accumulated receipts exceed \$100.
- C. No bank reconciliations are performed on the two bank accounts (Judicial Education Fund and Bond) in the custody of the Court Clerk.

Monthly reconciliations should be prepared to ensure that all accounting records balance, transactions have been properly recorded, and any errors or discrepancies are detected on a timely basis. Complete documentation of the reconciliation should be retained to support any corrections made and to facilitate independent reviews.

- D. Checks and money orders are not restrictively endorsed until the deposit is prepared. To reduce the potential for loss, theft, or misuse of funds, checks and money orders should be restrictively endorsed immediately upon receipt.
- E. The Court Clerk maintains a petty cash fund for small expenditures such as postage. The petty cash fund is not maintained on an imprest basis, but is replenished in varying amounts by the city whenever it gets low. The amount replenished is not based on amounts spent

from the fund. As a result, the fund balance changes each time the fund is replenished and accountability is more difficult to maintain.

F. During our review, we noted the following concerns relating to bonds:

- 1) Bond receipts are not deposited to the court's bank account on a timely basis. Our review noted instances where bond receipts in excess of \$100 were held over one month before being deposited. To adequately safeguard bond receipts and reduce the risk of loss or misuse of funds, deposits should be made daily or when accumulated receipts exceed \$100.
- 2) Prenumbered receipt slips are not issued for bond monies. The receipt slips issued are not specifically printed for the court and are hand numbered prior to use. To properly account for all receipts and ensure they are properly deposited, official prenumbered receipt slips should be issued for all monies received, reconciled to the composition of monies received and deposited, and the numerical sequence accounted for properly.
- 3) Monthly listings of open items (liabilities) are not prepared and reconciled to the balance of the bond account.

To ensure that receipts and disbursements are properly handled and monies held in trust by the municipal court division are sufficient to meet liabilities, open-items listings should be prepared monthly and reconciled to the cash balance.

G. Neither the police department nor the court accounts for the numerical sequence or the ultimate disposition of traffic tickets and summonses issued. The Court Clerk logs the tickets and summonses as she receives them from the police department, however, she does not review for missing tickets and summonses. Accounting for the numerical sequence of the tickets and summonses would ensure all tickets and summonses issued were properly submitted to the court for processing, properly voided, or not prosecuted. A record of the ultimate disposition of each ticket and summonses should also be maintained to ensure all tickets and summonses have been accounted for properly.

Conditions similar to parts A, B, D, F.1., and G. were also noted in our prior audit report on the municipal division.

WE RECOMMEND the Municipal Division:

- A. Properly segregate duties between available employees and/or establish a periodic review of municipal division records by an independent person.
- B. Deposit monies daily or when accumulated receipts exceed \$100.

- C. Perform monthly bank reconciliations.
- D. Restrictively endorse checks and money orders immediately upon receipt.
- E. Maintain the petty cash fund on an imprest basis.
- F.1. Ensure bond receipts are deposited daily or when accumulated receipts exceed \$100.
 - 2. Issue prenumbered receipt slips for all monies collected, account for their numerical sequence, and reconcile the composition of monies collected and deposited to the receipt slips.
 - 3. Prepare and retain a monthly open-items listing and reconcile this listing to the bond account.
- G. Work with the police department to account for the numerical sequence of traffic tickets and summonses issued.

AUDITEE'S RESPONSE

The Municipal Judge and Court Clerk responded as follows:

- A. *The City Clerk already checks ledger receipts on money taken in at the court, as well as before and after court. The City Prosecutor has agreed to make periodic reviews of municipal records.*
- B. *The Court Clerk will now make deposits at least once a week if money collected exceeds \$100.*
- C. *The Court Clerk will now make monthly reconciliations of the Court bank accounts.*
- D. *Checks received by the Court are now immediately endorsed by the Court Clerk, and the Court Clerk will continue to do so.*
- E. *Petty cash has now been set at a flat amount and any money disbursed by the Court Clerk has receipts for any said disbursement. The Court Clerk will reimburse back to the established petty cash level when needed.*
- F.1. *Bonds will be deposited within 3 days of the receipt date on the envelope.*
 - 2. *The Court Clerk has now purchased, and in the future will purchase only, prenumbered receipt books for bond monies collected.*

3. *The Court Clerk now has an open-items listing on the bonds received. The Court Clerk will reconcile the bond account with the open bonds.*
- G. *The Court Clerk will request in writing, from the Police Chief, an accounting of any tickets that are missing out of sequence.*

This report is intended for the information of the management of city of Olympian Village and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

* * * * *